



PSC NEWS

Missouri Public Service Commission

Contact: Kevin Kelly

Phone: (573) 751-9300

Governor Office Building, Suite 900

FY-05-47

PSC ADOPTS NEW TELECOMMUNICATIONS RULE REGARDING THE SHARING OF CUSTOMER INFORMATION

Jefferson City (September 7, 2004)---The Missouri Public Service Commission has adopted a new rule designed to provide more consumer privacy protection when it comes to telecommunications companies sharing customer bill information with other entities. This rule establishes procedures by which telecommunications companies can use, disclose or permit access to private customer information contained on a monthly telephone bill.

While this PSC rule is similar to FCC (Federal Communications Commission) rules currently in effect, the new PSC rule contains additional language designed to clarify when customer privacy information can be shared. Under the Commission's rule, the local telephone company would be in violation of Commission rules and regulations if its affiliates share customer information with other entities.

"This is about customer privacy," stated PSC Chairman Steve Gaw. "The Commission wants to make sure customer information is protected and that customers are aware of their rights when it comes to releasing their private information. If a customer does not want to have that information shared with others, contact the local phone company and tell the company that you do not wish to share your information (called opt-out)," added Gaw.

Under the rule, telecommunications companies must:

- 1) provide notification to the customer of the customer's right to restrict the use of information. Companies are required to provide sufficient information to enable the customer to make an informed decision on whether to permit a carrier to use, disclose or permit access to the customers information;
- 2) wait a minimum of 30 days after giving customer notice and an opportunity to tell the company they won't want the information given out before assuming customer approval to use the information;
- 3) make available to every customer a method to "opt-out" that is of no additional cost to the customer and is available 24 hours a day, 7 days a week;
- 4) train company personnel as to when they are and are not authorized to use customer information and companies must have an expressed disciplinary process in place; and
- 5) maintain records of all instances when customer information was disclosed or provided to third parties or where third parties were allowed to access that information.

In addition, the new rule states that language informing the customer of his/her right to tell the telephone company not to share his/her information with other entities is to be no smaller in print size than the language describing the benefits of using the customer's information.

The PSC rule also prohibits a telecommunications company from using, disclosing or permitting access to private customer information to identify or track customers that call competing telecommunications service providers. For example, a local exchange telecommunications company may not use basic local telecommunications service from a customer telephone bill to track all customers that call basic local exchange telecommunications service competitors.

Telecommunications companies can use current customer information for the purpose of marketing communications-related services to that customer. If a customer does not want this information given to another party for marketing purposes, that customer needs to contact the local telephone company and tell the company it can't share the information with other affiliates.

The new rule will take effect on November 30.